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Miami, FL 33131

**Report on Compliance and on Internal Control Over  
Financial Reporting Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

The Honorable Mayor, and Chairperson and  
Members of the Board of County Commissioners  
Miami-Dade County, Florida:

We have audited the general purpose financial statements of Miami-Dade County, Florida (the "County") as of and for the year ended September 30, 2000, and have issued our report thereon dated February 9, 2001, and which referred to our use of the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether the County's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the County in a separate letter dated February 9, 2001.



This report is intended solely for the information and use of the Honorable Mayor, the Members of the Board of County Commissioners, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

February 9, 2001



One Biscayne Tower  
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Miami, FL 33131

**Report on Compliance With Requirements  
Applicable to Each Major Program and on Internal Control Over  
Compliance in Accordance With OMB Circular A-133**

The Honorable Mayor, and Chairperson and  
Members of the Board of County Commissioners  
Miami-Dade County, Florida:

**COMPLIANCE**

We have audited the compliance of Miami-Dade County, Florida (the "County") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2000. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The general purpose financial statements include the operations of the Miami-Dade Water and Sewer Department, Public Health Trust of Miami-Dade County, the Miami-Dade County Aviation Department, and the Miami-Dade Housing Agency, which received \$15,008,189, \$11,213,946, \$7,674,900, \$154,961,393, respectively, in federal awards during the year ended September 30, 2000. Our audit described below did not include the federal awards of the Miami-Dade Water and Sewer Department and the Public Health Trust of Miami-Dade County which were audited under a separate contract with KPMG LLP. Additionally, the audit described below does not include the federal awards of the Miami-Dade County Aviation Department, and the Miami-Dade Housing Agency because the County engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the



circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2000.

#### **INTERNAL CONTROL OVER COMPLIANCE**

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance in its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Honorable Mayor, the Members of the Board of County Commissioners, management, federal agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

February 9, 2001



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Miami, FL 33131

**Report on Examination of Management's Assertion  
About Compliance with Specified Requirements**

The Honorable Mayor, and Chairperson and  
Members of the Board of County Commissioners  
Miami-Dade County, Florida:

We have examined management's assertion, included in its representation letter dated, February 9, 2001, that Miami-Dade County (the "County") complied with the allowable cost requirements established in the grant agreements applicable to the State grants and aids appropriations identified on the schedule of expenditures of state awards as of and for the year ended September 30, 2000. As discussed in that representation letter, management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the County's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, management's assertion that Miami-Dade County, Florida has complied with the aforementioned requirements during the fiscal year ended September 30, 2000 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Honorable Mayor, the Members of the Board of County Commissioners, management, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

February 9, 2001

**KPMG LLP**





**Watson Rice LLP**  
Certified Public Accountants and Consultants

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Mayor and Board of County Commissioners  
Miami-Dade County, Florida

We have audited the general purpose financial statements of Miami-Dade Housing Agency (the "Agency") as of and for the year ended September 30, 2000, and have issued our report thereon dated December 31, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Agency's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 00-I/C-1, 00-M/C-2 and M/C-4.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the Agency's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-I/I-3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Mayor and Board of County Commissioners and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Miami, Florida  
December 31, 2000

*William Rice & Co*



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Mayor and Board of County Commissioners  
Miami-Dade County, Florida

**Compliance**

We have audited the compliance of Miami-Dade Housing Agency (the "Agency") with the types of compliance requirements described in the U. S. *Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments, and Non-profit Organizations Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2000. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Agency's compliance with those requirements.

As described in items 00-M/C-2 and 99-M/C-4, in the accompanying schedule of findings and questioned costs, the Agency did not comply with requirements regarding procurement and eligibility that are applicable to its U.S. Department of Housing and Urban Development: Owned Rental Housing, Modernization and Development, and Section 8 Private Rental programs. Compliance with such requirements is necessary, in our opinion, for the Agency to comply with requirements applicable to those programs.



In our opinion, except for the noncompliance described in the preceding paragraph, the Agency complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2000.

#### Internal Control Over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Agency's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-I/I-3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

#### Schedule of Expenditures of Federal and State Awards

We have audited the general purpose financial statements of the Agency as of and for the year ended September 30, 2000, and have issued our report thereon dated December 31, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the Agency. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information of the audit committee, management, others within the organization, the Mayor and County Commissioners and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Miami, Florida  
December 31, 2000

*Water Rise LLP*



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**INDEPENDENT AUDITORS' REPORT ON EXAMINATION OF MANAGEMENT'S  
ASSERTION ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS**

The Honorable Mayor and Members of the  
Board of County Commissioners  
Miami-Dade County, Florida

We have examined management's assertion about Miami-Dade Housing Agency's (the "Agency") compliance with the allowable cost requirements established in the grant agreements applicable to the state grants and aids appropriations pursuant to Section 216.349, Florida Statutes, and identified on Schedule of State Financial Assistance for the year ended September 30, 2000. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Agency's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, management's assertion that the Agency complied with the aforementioned requirements during the fiscal year ended September 30, 2000, is fairly stated, in all material respects.

This report is intended solely for the information and use of management of the Agency, State granting agencies, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Miami, Florida  
December 31, 2000

*Watson Rice LLP*



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**Independent Auditors' Report on Compliance and on  
Internal Control Over Financial Reporting Based on an  
Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Honorable Alex Penelas, Mayor, and  
Honorable Chairperson and Members  
Board of County Commissioners,  
Miami-Dade County, Florida:

We have audited the financial statements of the Miami-Dade Water and Sewer Department (the "Department") as of and for the years ended September 30, 2000 and 1999, and have issued our report thereon dated January 3, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered the Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.



This report is intended solely for the information and use of the Board of County Commissioners and management of Miami-Dade County, Florida, federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 3, 2001



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**Independent Auditors' Report on Compliance  
With Requirements Applicable to Each Major  
Program and on Internal Control Over Compliance  
in Accordance With OMB Circular A-133**

Honorable Alex Penelas, Mayor, and  
Honorable Chairperson and Members  
Board of County Commissioners,  
Miami-Dade County, Florida:

**COMPLIANCE**

We have audited the compliance of the Miami-Dade Water and Sewer Department (the "Department") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2000. The Department's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on the Department's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Department's compliance with those requirements.

In our opinion, the Department complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2000.

**INTERNAL CONTROL OVER COMPLIANCE**

The management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of County Commissioners and management of Miami-Dade County, Florida, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 3, 2001

**Report on Compliance and on Internal Control Over Financial Reporting  
Based on an Audit of Combined Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Honorable Mayor and Members of the  
Board of County Commissioners  
Miami-Dade County  
Miami, Florida

We have audited the combined financial statements of the Miami-Dade County Aviation Department (Aviation Department) as of and for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Aviation Department's combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of combined financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Aviation Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters



involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which we have reported to management of the Aviation Department in a separate letter dated December 15, 2000.

This report is intended solely for the information and use of the Honorable Mayor and Members of the Board of County Commissioners, management and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Ernst & Young LLP*

December 15, 2000

**Report on Compliance and on Internal Control Over Compliance  
In Accordance With OMB Circular A-133 and the  
Passenger Facility Charge Audit Guide For Public Agencies**

Honorable Mayor and Members of the  
Board of County Commissioners  
Miami-Dade County  
Miami, Florida

**Compliance**

We have audited the compliance of Miami-Dade County Aviation Department (Aviation Department), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program; and with the requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide), for the year ended September 30, 2000. The Aviation Department's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program and its passenger facility charge program is the responsibility of the Aviation Department's management. Our responsibility is to express an opinion on the Aviation Department's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the Guide. Those standards, OMB Circular A-133 and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program, or the passenger facility charge program, occurred. An audit includes examining, on a test basis, evidence about the Aviation Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Aviation Department's compliance with those requirements.

In our opinion, the Miami-Dade County Aviation Department complied, in all material respects, with the requirements referred to above that are applicable of its major federal program and to its passenger facility charge program for the year ended September 30, 2000. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 00-1.

### **Internal Control Over Compliance**

The management of the Aviation Department is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and the passenger facility charge program. In planning and performing our audit, we considered the Aviation Department's internal control over compliance with requirements that could have a direct and material effect on a major federal or the passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the Guide.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal or passenger facility charge program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Honorable Mayor and Members of the Board of County Commissioners, management and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

*Ernst & Young LLP*

December 15, 2000

## Report of Independent Auditors on Examination of Management's Assertion about Compliance with Specified Requirements

Honorable Mayor and Members of the  
Board of County Commissioners  
Miami-Dade County  
Miami, Florida

We have examined management's assertion, included in its representation letter dated December 15, 2000, that the Miami-Dade County Aviation Department (Aviation Department) complied with the allowable cost requirements established in the grant agreements applicable to the grants and aids appropriations identified in the Schedule of State Financial Assistance for the year ended September 30, 2000. Management is responsible for the Aviation Department's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Aviation Department's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Aviation Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Aviation Department's compliance with specified requirements.

In our opinion, management's assertion that the Aviation Department complied with the aforementioned allowable cost requirements of the grants aids appropriations identified in the Schedule of State Financial Assistance for the fiscal year ended September 30, 2000, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Honorable Mayor and Members of the Board of County Commissioners, management, and state awarding agencies and is not intended to be and should not be used by anyone other than those specified parties.

*Ernst & Young LLP*

December 15, 2000



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**Independent Auditors' Report on Compliance and  
on Internal Control Over Financial Reporting Based  
on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

The Board of Trustees of the  
Public Health Trust of  
Miami-Dade County, Florida:

We have audited the financial statements of the Public Health Trust of Miami-Dade County, Florida (the "Trust") as of and for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether the Trust's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit, we considered the Trust's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management and the board of trustees of the Trust in a separate letter dated December 15, 2000.



This report is intended solely for the information and use of the board of trustees and management of the Trust, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 15, 2000



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**Independent Auditors' Report on Compliance  
With Requirements Applicable to Each Major  
Program and Internal Control Over Compliance in  
Accordance With OMB Circular A-133**

The Board of Trustees of the  
Public Health Trust of  
Miami-Dade County, Florida:

**COMPLIANCE**

We have audited the compliance of the Public Health Trust of Miami-Dade County, Florida (the "Trust") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2000. The Trust's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Trust's management. Our responsibility is to express an opinion on the Trust's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Trust's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Trust's compliance with those requirements.

In our opinion, the Trust has complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2000. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133, and which is described in the accompanying schedule of findings and questioned costs as item 00-1.



## **INTERNAL CONTROL OVER COMPLIANCE**

The management of the Trust is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Trust's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matter involving the internal control over compliance and its operation that we consider to be material weaknesses.

## **SCHEDULE OF EXPENDITURES OF FEDERAL AND NONFEDERAL AWARDS**

We have audited the financial statements of the Public Health Trust of Miami-Dade County, Florida as of and for the year ended September 30, 2000, and have issued our report thereon dated December 15, 2000. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal and nonfederal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the board of trustees and management of the Trust, federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

February 16, 2001

Except for the schedule of expenditures of federal and nonfederal awards as to which the date is December 15, 2000





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**Independent Auditors' Report on Examination of  
Management's Assertion About Compliance  
With Specified Requirements**

The Board of Trustees of the  
Public Health Trust of  
Miami-Dade County, Florida:

We have examined management's assertion, included in its representation letter dated February 16, 2001, that the Public Health Trust of Miami-Dade County, Florida (the "Trust") complied with the allowable cost requirements established in the grant agreements applicable to the State grants and aids appropriations identified on the Schedule of Expenditures of Federal and Nonfederal Awards as of and for the year ended September 30, 2000. As discussed in that representation letter, management is responsible for the Public Health Trust of Miami-Dade County, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the Public Health Trust of Miami-Dade County, Florida's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Trust's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Trust's compliance with specified requirements.

In our opinion, management's assertion that the Trust has complied with the aforementioned requirements during the fiscal year ended September 30, 2000 is fairly stated, in all material respects.

This report is intended solely for the information and use of the board of trustees and management of the Trust, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

February 16, 2001



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